to inequality of distribution, thus violating one of the fundamental objects of the bankruptcy law. See *Swarts* v. *Fourth National Bank*, *supra*, 3; *In re Leslie*, 119 Fed. 406, 410. See J. M. Olmstead, "Bankruptcy a Commercial Regulation," 15 HARV. L. REV. 829, 834, 843.

BANKRUPTCY — PROVABLE CLAIMS — CLAIMS UNDER EXECUTORY CONTRACTS. — A hotel entered into a five-year contract granting to a transfer company, in consideration of a certain monthly sum, its exclusive baggage and livery privilege. Soon after, the transfer company was put into involuntary bankruptcy, and the hotel now claims to prove for damages against the estate. *Held*, that proof of the claim be allowed. *Central Trust Co.* v. *Chicago Auditorium Association*, Sup. Ct. Off. Nos. 162, 174.

For comment upon this case when it was before the Circuit Court of Appeals, see 27 HARV. L. REV. 469. It was there contended that if claims under executory bilateral contracts are to be held provable on a satisfactory basis, it must be on the ground that contingent claims, if capable of liquidation, should be allowed proof under the present act. The Supreme Court, in affirming the decision of the Circuit Court of Appeals upon this point, goes solely upon the ground that proceedings, whether voluntary or involuntary, resulting in an adjudication of bankruptcy, are the equivalent of an anticipatory breach of an executory agreement, and that the claim for damages by reason of such a breach is founded upon a contract, within the meaning of § 63 *a* (4) of the Bankruptcy Act of 1898.

BILLS AND NOTES — DAMAGES — DEPRECIATION OF GERMAN MARKS FOR WHICH BILL OF EXCHANGE IS DRAWN. — The defendant accepted bills of exchange payable in marks at Leipzig, Germany. The payee brings an action in New York on the bills. *Held*, that the recovery should be of a sum sufficient to have purchased the named sum of marks as depreciated at the time of default. *Gross* v. *Mendel*, 157 N. Y. Supp. 357 (App. Div.).

Intrinsic differences of money value, whether due to differences in standard or to excessive paper issues, should of course be taken account of in fixing the amount to be recovered on a debt due in foreign currency. *Bissell* v. *Heyward*, 96 U. S. 580; *Comstock* v. *Smith*, 20 Mich. 338. And it is now tolerably clear that when the debt is due abroad, the loss or gain of exchange should also be taken into account, at least when a bill of exchange is the foundation of the action. *Scott* v. *Bevan*, 2 B. & Ad. 78. See *Grant* v. *Healey*, 3 Sumner (U. S. Circ. Ct.) 523, 524; *Weed* v. *Miller*, 1 McLean (U. S. Circ. Ct.) 423. *Contra*, *Chumasero* v. *Gilbert*, 24 Ill. 651. *Cf. Adams* v. *Cordis*, 25 Mass. 260. Accordingly, the current rate of exchange, which expresses the resultant of these factors, is properly applied to determine the sum due. It remains to choose between the rate at the time of default and at the time of trial. That choice depends in theory on the decision of a question that has divided the masters of the law of contracts. If, on default, a right to damages is substituted for the debt, the principal case is correct, since it gives the creditor a sum which would exactly purchase the named sum of marks when they were due. *Bissell* v. *Heyward*, *supra*. However, if the debt continues and it is that which is recovered, the rate of exchange at the time of trial would seem to be determinative. *Taan* v. *Le Gaux*, 1 Yeates (Pa.) 204; *Lee* v. *Wilcocks*, 5 Serg. & Rawle (Pa.) 48. See *Hawes* v. *Woodcock*, 26 Wis. 629, 635. It might not be unreasonable to allow the plaintiff to recover on the rate most favorable to him within a reasonable time after the default, on an analogy to what is done on the conversion of pledged stocks, for he might have had to borrow or draw reëxchange to cover his necessities at any time within that period. *Cf. Dimock* v. *United States National Bank*, 55 N. J. L. 296, 25 Atl. 926.